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SENSITIVE
SIPDIS
STATE FOR WHA/CEN, EB/IFD/OIA, AND L/CID
STATE ALSO FOR WHA/EPSC

E.O. 12958: N/A
TAGS: [EINV](#) [ECON](#) [KIDE](#) [NU](#)
SUBJECT: NICARAGUA: GON RESOLVES PROPERTY CASE OF JUAN BARRETO

REF: 02 MANAGUA 877; 08 MANAGUA 1243

SUMMARY

11. (SBU) On November 19, U.S. citizen claimant Juan Barreto signed a settlement document, or "finiquito," for the equivalent of \$3.2 million dollars to compensate him for 28 properties expropriated by the Nicaraguan Army. With the inclusion of Mr. Barreto's case, the Government of Nicaragua has resolved 39 claims during the current waiver year. The resolution of the Barreto case represents the largest number of claims resolved for one U.S. citizen at one time. The GON deserves credit for sticking to its commitment to resolve this high-profile property case.

GON RESOLVES BARRETO CASE

12. (U) On November 19, U.S. citizen Juan Barreto, whose 28 properties the Nicaraguan Army expropriated in 1980 (Ref A), signed a "finiquito" to accept compensation in the form of indemnification bonds (BPIs) with a face value of \$3.2 million. The GON provided the Property Office a copy of the finiquito on November 20. Mr. Barreto will receive his BPIs in December. His case represents 28 property claims registered with the Embassy Property Office.

| | Type of | No. of | Type of |
|--------------|---------|--------|------------|
| Claimant | Claim | Claims | Resolution |
| ----- | ----- | ----- | ----- |
| Juan Barreto | land | 28 | bonds |

GON RESOLVES 39 CLAIMS SO FAR

13. (U) With the inclusion of the Barreto case, the GON has resolved 39 claims so far during this waiver year (septel). During the 2008-2009 waiver year, the GON resolved 48 claims. In addition, the resolution of the Barreto case is the largest number of claims (28) that has been resolved for one U.S. citizen at one time. There remain 23 U.S. citizen claims for properties under the control of the Army.

COMMENT

14. (SBU) The GON deserves credit for sticking to its commitment to resolve this high-profile case. When the GON began negotiations with Mr. Barreto in June 2008, the talks were contentious at times and each side accused the other of not negotiating in good faith. However, Attorney General Hernan Estrada told the Ambassador on

September 30, 2008, that he would resolve the case (Ref B), and he has made good on his promise.
CALLAHAN